



THE WAY HOME: PHILADELPHIA HOUSING AUTHORITY ACCOMPLISHMENTS REPORT

PHA's Award-Winning Housing Developments Fortify Communities by Closing Resource Gaps, Fostering Entrepreneurship, and Connecting Job-Seekers to Career Training





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MISSION STATEMENT

The Philadelphia Housing Authority's mission is to open doors to affordable housing, economic opportunity, and safe, sustainable communities to benefit Philadelphia residents with low incomes.



STRATEGIC DIRECTIONS PLAN

IN DECEMBER 2014, THE PHA BOARD OF COMMISSIONERS APPROVED A STRATEGIC DIRECTIONS PLAN CONTAINING 12 STRATEGIC PRIORITIES.



1

Preserve and expand the supply of affordable housing available to Philadelphia's residents with low incomes;

2



Achieve excellence in the provision of management and maintenance services to PHA residents;

3



Create safe communities in collaboration with neighborhood residents and law enforcement agencies;

4



Enhance resident well-being and independence through partnerships for employment, job training, education, health, and other evidence-based supportive services;

5



Improve access to quality housing choices and opportunity neighborhoods through the Housing Choice Voucher Program;

6



Incorporate energy conservation measures and sustainable practices throughout PHA operations;

7



Improve customer service, streamline operations, and create a business model that is data-driven and high-performing;

8



Conduct PHA business in an open and transparent manner that promotes accountability and access, ensures diversity, and adheres to the highest ethical standards;

9



Strengthen existing relationships and forge new public, private, and philanthropic partnerships to support PHA's strategic goals;

10



Make PHA an employer of choice with an accountable, diverse, trained, and productive workforce;

11



Ensure that PHA is a good neighbor and reliable community partner; and

12



Encourage innovation and promote PHA's financial health through ongoing participation in the Moving to Work Program.



THE WAY FORWARD

Today's public housing has a clean, stylish look that blends into the architectural fabric of our City. In fact, a number of PHA's recent developments have received national recognition for design from the National Association of Housing and Redevelopment Officials (NAHRO).

In addition to offering fully-equipped rental units, they offer green spaces, resource-rich community centers and meeting space, computer work areas and energy-efficient appliances.

For many families, this is the way home.

As new affordable rental housing and homeownership units are rising, Philadelphia faces urgent challenges associated with its existing housing stock. The impending expiration of an estimated 14,500 affordable housing units provides evidence of a housing affordability crisis that is going from bad to worse, resulting in untold human suffering and jeopardizing the ability of families to change their circumstances in meaningful ways.

More than 60,000 households wait years for a housing voucher or public housing on Philadelphia Housing Authority's (PHA) waiting list, but they represent only a fraction of the real need. A 2021 report from the National Low Income Housing Coalition cites the need for 260,000 affordable rental homes for households earning less than 30 percent of the area median income in Pennsylvania alone, and a staggering 6.7 million homes nationwide. The City's 2018 Housing Action Plan estimated that 14,500 units are at risk of subsidy expiration over the next decade just in Philadelphia alone.

Rapidly rising inflation and the looming potential for an economic recession are likely to make the life harder, especially for low-income residents.

By deploying the flexibility of our federal Moving to Work program status, along with essential tools and resources like HUD's Rental Assistance Demonstration program, Housing Choice Vouchers, and federal housing tax credits, PHA has

generated over 7,000 housing opportunities and leveraged over \$1.36 billion in private and public funding since 2013.

However, PHA cannot solve the affordable housing crisis alone. We also must engage in initiatives that go beyond housing by tearing down the persistent barriers low-income families face.

We must prepare diverse Philadelphians to become home buyers, thus providing financial stability for future generations. We must create partnerships with schools like with Vaux Big Picture High School, where a foundation of excellence is aiding the rebirth in Sharswood. We must provide college students with an opportunity to get an education AND complete a degree. Scholars need stable housing if they are to succeed and thrive.

PHA is collaborating with partners on all these fronts. The solution to the crisis rests in a deliberate and coordinated alignment of housing strategies on the federal, state and local levels, while also promoting public-private partnerships.

In Philadelphia, a dedicated band of private partners and nonprofits work daily on these challenges. With North Central Choice, we built a housing oasis in a forgotten neighborhood with market-rate and affordable housing units. In Sharswood, new homes are rising upon the empty lots and an historic school has been transformed into veteran housing.

For Philadelphia, this is the way forward. We provide residents with affordable housing and access to life-changing opportunities so they can make this a stronger city.

Kelvin A. Jeremiah
President & CEO



PHA'S INVESTMENTS ARE LIFTING UP NEIGHBORHOODS

The past few years were for many a time of awakening, a year when the need for greater racial, social, and economic justice took center stage. Although we have made strides, our city remains a work in progress as reflected by the fact that one in four Black families and one in three Hispanic families in Philadelphia live below the poverty line.

The American Rescue Plan meant more money in more low-income families' pockets. But even with that boost Philadelphia has an affordable housing crisis.

That is why we are so fortunate to have a public housing authority that operates with a mission-driven passion that seeks to provide as many housing opportunities as possible. Each time I visit the Sharswood neighborhood, it seems like another parcel is under development. The activity is drawing in residents who are returning to the community and to the neighbors they left behind.

It is more than the 1,200 housing units being built. A shopping center is under construction including the first supermarket in that community in decades. And the investment PHA made in restoring the historic Vaux High School building has paid off exactly as PHA President & CEO Kelvin A. Jeremiah had planned.

I was very proud to see the first graduating class receive their diplomas at what is now called Vaux Big Picture High School, a unique public school staffed with union teachers but managed by an outside company. The building itself has become a hub for the community, offering healthcare, job training and other services. This school and community center represent a visionary victory.

As impressed as I am with the tremendous progress in Sharswood, I am equally grateful to have PHA as our partner

on several initiatives, most significantly fighting to eradicate homelessness. The agency works closely with our Office of Homeless Services to transition families to permanent homes. And when homeless advocates staged an encampment on the Benjamin Franklin Parkway last summer, PHA was right beside us working to negotiate an agreement to help the encampment members receive services and a plan for more housing.

PHA even took steps to reform the way it provides police services, adopting a community-based approach to public safety. The idea is to hire community engagement associates who will intervene and defuse situations before they grow out of control. I believe this is a very worthwhile idea and we will be watching in the hope of good results and the potential expansion of the program.

The economic hardship caused by the pandemic left many families falling behind on their rent. The City and worked as partners to address that situation, helping these families and their communities recover. Our combined efforts reflect a partnership that is strong and working for our city.

Congratulations and many thanks to PHA's Board and its Chair Lynette Brown-Sow, Kelvin A. Jeremiah, and the entire PHA staff for your ongoing, immense contribution to social mobility, resident well-being and the city's neighborhoods.

A handwritten signature in black ink that reads "James F. Kenney". The signature is fluid and cursive, with a large, sweeping "J" and "K".

Mayor Jim Kenney

CHAPTER ONE: A THOUGHTFUL APPROACH TO PUBLIC HOUSING





North Central Five was honored for project design by NAHRO, a national housing group.

PHA is revitalizing old, run down neighborhoods with newly designed, high-quality housing. We're doing it with the help of private investors. And best of all, PHA is influencing private developers who want to come back into Philadelphia and renew the City.

At PHA, we determined that we would take the lead in revitalizing Philadelphia's run down neighborhoods with new housing designs. We wanted private developers to see that Philadelphia was open to many possibilities that would attract homebuyers, no matter where they lived.

We've imploded most of the high-rises that were once part of our portfolio and replaced them with low-rise developments that blend in with the neighborhood. And when PHA rebuilds a development, it rebuilds the WHOLE neighborhood, including houses, streets, utilities, sidewalks, curbs, parks, recreation and open spaces.

PHA no longer builds projects. It builds communities and then adds a host of supportive services.

This year, PHA more than made good on its promise to develop or completely rehabilitate 6,000 housing units in a five-year period, under a plan dubbed "6-in-5."

The timeline was extended because of pandemic delays, but PHA and partners funded by PHA - have built or renovated a total of 6,441 since 2014.

One of the major areas for renovation has been PHA's scattered site inventory. These are decades-old properties, on individual sites, owned by PHA that had fallen into disrepair and remained vacant and uninhabitable for years. Since the 6-in-5 program began, PHA has renovated 1,745 of these units, many in gentrifying neighborhoods, thereby preserving affordability in those communities.



HUD Secretary Marcia L. Fudge visits North Central Five.



Each home at North Central Five features a spacious, open-concept layout filled with natural light and cost-saving amenities and appliances.

MODERN, HIGHLY-EFFICIENT HOUSING OPTIONS IN NORTH CENTRAL

North Central Five illustrates how public private investment can transform a community and provide better housing and opportunities for existing residents. The development was the final phase and a centerpiece development of the North Central Neighborhood Initiative Implementation Transformation Plan. By 2021, the effort had yielded 147 units replacing former public housing, 95 new affordable units, 30 market rate rental units and 30 homeownership units where public housing residents have or will purchase homes. Along with housing improvements, it offers access to unique social services, a community center, schools, transportation,

employment opportunities, and an award-winning after school program operated by residents.

North Central Five, a \$51.6 million residential development with 152,000 gross square footage, includes three buildings; a apartment with 117 units, and two townhome buildings with 16 units that have large three bedroom units with private outdoor space. All residents have access to a fitness room, community room with kitchenette, computer room and library, an outdoor courtyard and community gardens, as well as on-site management staff, package lockers, and bike storage.



Hunt-Pennrose Ground Breaking

CONTEMPORARY HOME DESIGNS BRING DISTINCTION TO SHARSWOOD

Take a walk into the future in Blumberg-Sharswood, a neighborhood where decades of crime and disinvestment trapped many generations in the cycle of poverty.

In recent years, award-winning housing developments are taking over the formerly empty lots and abandoned and dilapidated homes. PHA's modernization of Sharswood Tower, a mid-century low-income senior apartment high-rise earned the Award of Excellence in 2020 for project design from NAHRO, a national housing organization. The following year, Blumberg 83, captured the prestigious honor. Using modular construction at Blumberg 83, PHA found a way to build more units at lower costs and meet the City's urgent demand for affordable homes. Blumberg 83 consists of 83 energy-efficient rental apartments spread across a mix of townhomes and multi-unit walk-up buildings. They were built upon ground that once housed the Blumberg Apartments, where 1,500 lived in a pocket of poverty and crime.

Blumberg 83 features modular wood frame construction and sustainable design elements, a community center, green space, and management office.

The Choice Neighborhoods Transformation Plan for Sharswood/Blumberg is the largest mixed-income, mixed-use

redevelopment project underway in the City of Philadelphia. Funded in part by a \$30 million HUD grant, the Plan calls for development of more than 1,200 units of mixed-income housing, including affordable rentals and homeownership units. By the end of our fiscal year, a total of 309 housing units (20 affordable homeownership, 289 rental) have been substantially completed; and an additional 416 are currently under construction. By April 2023, PHA projects that most of the planned rental housing and a majority of planned homeownership units will be either completed or under construction including:

- Three rental phases with 336 units developed by Hunt-Pennrose;
- Two rental phases with 123 units developed by PHA;
- Approximately 174 new construction homeownership units;
- Two neighborhood partner developments (Reynolds School, Harlan Street) with a total of 108 new rental units; and,
- A \$52 million mixed-use housing and retail complex undertaken by Mosaic Development that is currently under construction and will include a Grocery Outlet supermarket, Santander Bank, an urgent care health center and other commercial/retail facilities.



The PHA-CCP Shared Partnership provides subsidized housing and hands-on services for community college students.

PHILLY LEADS THE WAY IN OFFERING PUBLIC HOUSING TO COMMUNITY COLLEGE STUDENTS

Community College of Philadelphia (CCP) students struggling to find places to sleep at night now have a place to call home, and it's near the Main Campus. CCP and the Philadelphia Housing Authority created an innovative partnership that transformed six scattered sites apartments into dorm-like apartments designed exclusively for CCP students. The Shared Partnership provides housing designed around the unique needs of community college students. In each apartment, students have a separate bedroom and then share a kitchen, dining area, living area, bathroom and laundry area. Each unit has up to three tenants, each of whom receives wraparound services from both CCP and PHA such as free tutoring, academic services, job hunting support, budgeting classes and more. Students eligible for the housing must qualify for Pell grants and be taking at least six college credits. Students will pay rent based on 30 percent of their incomes. In no case will a student pay more than

\$125 a month for rent but, with their limited incomes, it will typically be much less.

Other ways PHA serves special populations:

- Our partnership with the Department of Veteran's Affairs (VA) continued to serve veterans, through the Veterans Administration Supportive Housing Program (VASH) program. A total of 705 veterans were housed under the program, including 122 new homeless veterans who secured housing at a unit of their choice. Additionally, in December 2021, HUD awarded PHA twenty 20 new vouchers.
- Foster Youth in Philly are finding it difficult to secure housing as they transition from foster care and begin their lives. PHA received 75 Foster Youth to Independence vouchers in 2021 to help them on their way. The FYI program serves youth under the age of 25 with a history of child welfare involvement for up to 36 months.



The Susquehanna Residences celebrated their grand opening in Strawberry Mansion.

CITYWIDE DEVELOPMENT

PHA continued to serve as a catalyst and major funder for housing and neighborhood development throughout the City, working directly through its Philadelphia Housing Authority Development Corporation's (PHADC) affiliate and in partnership with a diverse group of development partners, including community-based organizations.

Moreover, subsidies were given to over 4,300 housing units at 159 developments citywide through the Unit-Based Housing (UBV) Program. Many of these developments provide supportive services, while housing households with special needs including housing for formerly homeless individuals and families, victims of domestic violence, recovering substance abusers and other groups.

In addition to Rental Assistance Demonstration (RAD) properties, UBV development sponsors include dozens of mission-driven organizations including Liberty Resources, New Courtland, HACE, Nueva Esperanza, Women's Community Revitalization Project, Mission First Housing

Group, HELP USA, Methodist Family Services, and many others.

- Additionally, construction was substantially completed on a 78-unit development and LIFE Center at 27th and Susquehanna in partnership with Susquehanna Net Zero Housing LP.

Finally, planning continued in 2021 for the collaborative partnership with Councilmember Maria Sanchez and nonprofit affordable housing developers in the 7th District to ensure long-term affordable housing development. By transferring 240 long-term vacant lots and shells, PHA has ensured that the properties will be redeveloped for long-term affordable housing with a 20-year restrictive covenant.



Affordable housing developments include modern kitchens with energy-efficient appliances.



Public Housing Development

- PHA is one of the only agencies in the country that continues to successfully develop new public housing units. Building on its successful recent track record, PHA is currently collaborating with community partners to develop 10 new public housing developments, with a total of 334 units. An estimated \$148 million in non-PHA funds will be leveraged by these development projects.

Leased Housing

- PHA's Leased Housing Department administers rental subsidies under the Housing Choice Voucher (HCV) Program for approximately 19,550 low-income households who live in privately-owned housing. Vouchers are utilized to provide both tenant-based and project-based assistance (including RAD developments). Many project-based units subsidized by PHA are owned by local non-profit agencies

that serve special needs populations and provide supportive services for residents. In FY 2022, PHA entered into Agreements and/or Housing Assistance Payments Contracts for 1,505 new project-based voucher units, including RAD conversions, under PHA's Unit-Based Leasing (UBV) program.



CHAPTER TWO: SETTING RECORD LEVELS FOR HOMEOWNERSHIP





High levels of homeownership bring stability to neighborhoods, and provide a means for families to accumulate wealth.

PHA continued to expand housing choice and increase the number of first time, low-income homebuyers. PHA's Opening Doors to Affordable Homeownership initiative expands PHA's existing programs to incorporate new types of assistance including lease-purchase and down payment assistance options.

According to the National Association of Realtors, efforts to target renters' lack of information about the home buying process can help narrow racial gaps in homeownership. The U.S. homeownership rate climbed to 65.5 percent in 2020, up 1.3 percent from 2019. More Americans are likely to own a home now than during any year following the Great Recession; however, African Americans continue to face significant obstacles along the path to homeownership. The homeownership rate for Black Americans – 43.4% – is lower than what it was a decade ago.

With credit counseling, incentives for saving, and down payment assistance, PHA is leveling the playing fields.

Under the existing Section 5h program, PHA assists current public housing residents at scattered site units to purchase their own units. To date, 235 residents have purchased home under this program. Under the existing HCV Homeownership program, voucher participants

may utilize their voucher assistance to purchase homes and then receive monthly Housing Assistance Payments to support housing costs for up to a 15- or 30-year period. To date, PHA has helped 725 HCV participants to purchase their first homes.

PHA has developed and sold 306 new homeownership units that were developed as part of HOPE VI, mixed finance and other major revitalization initiatives. PHA also worked with over 1,000 residents to complete homeownership counseling courses in partnership with HUD-approved housing counseling agencies. In 2022, PHA's affordable homeownership totaled 93 units.

In exciting new initiatives launched this year, PHA partnered with Jumpstart Philly, Trades for a Difference and Benchmark Real Estate Partners, Lower North Philadelphia CDC and Devcon Group LLC/Townes Mechanical to renovate 53 vacant and distressed scattered-site homes in the Brewerytown neighborhood and create affordable homeownership opportunities for low-and moderate-income households. Jumpstart Philly provides training, mentoring, networking and financial resources to local aspiring developers. The PHA scattered-site houses rehabbed through this partnership will be sold to households with incomes at or below 80% of Area Median Income, with first opportunity to buy going to participants in PHA's Opening Doors to Homeownership program.



Dwayne Fair purchased the home his family had leased from PHA for nearly 52 years.

A MOTHER'S LOVE LIFTS A FAMILY, AND THEN A NEIGHBORHOOD

For decades, the house on Huntingdon Street was the heart of the neighborhood.

Children laughed and played together here. Mothers who lacked emergency childcare could leave their children here knowing they would be cared for and loved.

Over the years, Cattie Fair and her family celebrated many milestones - birthdays, graduations and marriages.

Then Cattie fell ill. The matriarch of the family, she had leased the house from the Philadelphia Housing Authority for more than five decades. She thought of it as the family home and asked her children to find a way to hold onto it.

Dwayne Fair, one of her sons, decided he would keep it in the family. In 2021, he purchased the house as part of PHA's Opening Doors to Affordable Homeownership Initiative which helps with the down payments and offers free, credit and homeownership counseling. He also signed up for the FSS program, where PHA makes deposits into a resident's financial savings account as their earned household income increases. Both are a critical part to the

authority's mission to help residents' achieve self-sufficiency.

After closing on the mortgage, Dwayne visited his mother's grave to tell her the house now belonged to the Fairs. Family and friends congratulated him by throwing a party where guests brought gift cards to home improvement stores. With the gift cards, he has been able to renovate for the next generation. He opened the main floor to accommodate larger gatherings, installed a new kitchen and appliances, renovated the downstairs bathroom and put down hardwood floors.

The house on Huntingdon Street again is a hub of neighborhood activity. It remains a place where people gather: a beautiful new front door remains open to neighbors and relatives in need.

Instead of just paying rent, Dwayne is accumulating wealth for his family.

Neighbors and family have a new nickname for him: Hometown Hero.

CHAPTER THREE: LIFE REIMAGINED





As it adapts public housing to fit Philadelphia's changing neighborhoods, PHA strengthens the community infrastructure by adding community centers with a broad base of supportive services including job hunting tools, small business development and training, and even, in the case of Sharswood, a Grocery Outlet Bargain Market offering fresh fruits and vegetables.

Ninety-two students - about half of them PHA residents - were graduated from Vaux Big Picture High School,

which receives an investment from PHA. Forty-two percent of the graduates were headed for college, a trade school, or an internship, and 84 percent had internships during their time at the school. The class valedictorian has been accepted to 13 schools and received nearly \$1 million in scholarship awards.

Alongside of our partners, we are expanding the resources available to residents and giving them access to opportunities that can change their trajectory in life.



PHA's Job Fair drew residents from across the City. Participating employers included CVS, PHA, the Philadelphia Police and Fire Departments, and dozens more.

CAREER READINESS

Residents with lower-education levels were more likely to experience job loss and reduced hours during the pandemic.

PHA's Workforce Development Center was available to help residents find employment and transition to new careers. The Center helps prepare residents for employment success along a career pathway, whether they are just starting out, looking to move into a better-paying position, or returning to the workforce after an absence. More than 1,085 PHA residents participated in virtual or phone-based workshops, orientations and seminars this year, with

topics including Intro to Section 3, Homeownership Seminars, and Workforce Center Workshops. PHA/RPP staff and resident leaders are able to make referrals, with Workforce Navigators receiving hundreds of referrals from these sources in 2021-22: Our Workforce Navigators draw on a wide range of resources to help residents achieve their employment goals. In collaboration with PHA approved job training and adult education partners, in 2021-22, the Center identified the correct "next step" for roughly 10 percent of residents served as referrals to partners based off the goals of the resident in job training and adult education.



The PHA Workforce Center is located in the Vaux Community Building in Sharswood.

PHA'S SECTION 3 RESOURCE CENTER

Section 3 Job Bank

The Section 3 Job Bank remains a popular and productive source of economic opportunity for residents. PHA posted 143 positions in the job bank, along with 96 from PHA contractors for a total of 239 openings. Section 3 candidates filled 164 of those positions, with 1,455 total referrals from the Section 3 resource center over the course of 2021.

Jobs Plus Program

PHA was awarded a second competitive \$2.98 million Jobs Plus grant to provide multiyear, comprehensive employment readiness, training, and placement services to Wilson Park residents.

Family Self-Sufficiency (FSS) Program

As part of the program, residents create a savings account. Each time their PHA rent increases, as a result of an increase in their earned household income, PHA will deposit the full amount of that rent increase into the resident's escrow account. There are 994 active participants in the program, including 270 new enrollees into the program for the calendar year of 2021. FSS offered emergency disbursements from residents' escrow accounts to provide them with economic supports.

Diversiónary Programs

As the city wrestled with an increase in violence, a new Diversiónary Initiative responded to violence and trauma-impacted PHA residents. The core mission was to connect residents with trauma-informed resources to counteract the negative effects of violence in PHA communities, and create partnerships and opportunities to reduce criminal activities of at-risk residents.

Resident Supportive Services

PhillySEEDS, Inc., a PHA subsidiary, awarded \$316,000 in scholarship aid to 84 PHA residents seeking or engaging in higher education - a new record.

PHA Cares

In partnership with Temple University and the Temple Lenfest Center for Community Partnerships, RPP administers the "PHA Cares" program at 10 primary sites – Johnson Homes, Raymond Rosen, Norris Homes, Richard Allen Homes, Germantown Homes, Sharswood, Abbottsford Homes, Courtyard Apartments, West Park and Bartram Village – as well as four secondary sites – Lucien E. Blackwell, Oxford Village, Hill Creek and Strawberry Mansion. Through this initiative, residents and community members are hired as Community Health Workers to provide education and services while securing valuable job experience within the health care field.



The PHA Workforce Center partnered with CVS Pharmacy on a new learning hub where residents can train to be pharmacy technicians.

CVS: HELP THAT EXTENDS BEYOND HOUSING

CVS Health's new career training program brought another valuable resource to the Sharswood Choice Neighborhoods Initiative, which is the largest mixed-income housing project underway in Philadelphia. Residents can be trained as pharmacy technicians - a job where employees are in high demand.

"In reality, it takes an entire village to revitalize a Philadelphia neighborhood," said PHA President and CEO Kelvin A. Jeremiah. "We can't do it alone," CVS Health is bringing new energy to our efforts to create an affordable mixed-income community of choice by offering opportunities for employment and training. As importantly, its investment demonstrates a powerful commitment to neighborhoods that have been underserved."

Individuals who complete the pharmacy technician

program qualify to apply for a position at CVS Health. "Providing employment and skills training to underserved populations has the power to transform and build healthier communities," said David Casey, SVP and Chief Diversity Officer, CVS Health. "We're working with JEVS Human Services and Philadelphia Housing Authority to help break down any employment barriers that may exist and focusing on addressing health disparities that prevail among participants."



The PHA Workforce Center partnered with CVS Pharmacy on a new learning hub where residents can train to be pharmacy technicians.

ENTREPRENEURSHIP FELLOWS

On April 1, 2021, the Section 3 Resource Center started its first PHAcohort of Entrepreneurial Fellows with 14 PHA residents. The Fellowship provides individualized attention to each cohort member in starting, creating, building, or sustaining their business model and plan. Each participant must complete a 6-month program with the Section 3 Resource Center, during which they must complete various modules that pertain to their business model and complete a series of related courses.

Participants who attend 75 percent or more of the assigned workshops, trainings and meetings can complete the program, which makes them eligible to receive seed money to support startup costs; priority access to the Resident Advisory Board Incubator; potential opportunity to access commercial space to develop and grow business model will be considered if space is available; and, assistance for business startup investments including licensing, business

entity registration and certifications.

Small Business Workshops

In addition to the Entrepreneurial fellowship, PHA's Section 3 program also began offering a number of virtual business and entrepreneurship-focused classes. More than 320 people have attended these classes, which include topics like Cash Flow, Marketing, Budgeting, Legal Formation and more.

Outcomes:

- To date, PHA has invested \$26,675 in terms of business seed investment and business reimbursement directly to the resident's new businesses. It also has provided in kind products such as (books, Chromebook, etc.), staff time and access to the incubator space.
- 24 fellows from Cohort 1 and 2 have qualified to become PHA Vendors and a number have received contracts.



The PHA Workforce Center partnered with CVS Pharmacy on a new learning hub where residents can train to be pharmacy technicians.

PHA RESIDENT NIJA WIGGINS IS SHOWING HER DAUGHTERS HOW TO OWN A BUSINESS

By Nija Wiggins

My name is Nija Wiggins. I am a mom, a chef for my family, and operator of Corneey's, a food truck based in Philadelphia. I specialize in gourmet corn on the cob and popcorn. I incorporate global cuisines in each of our dishes. If you like a little spice, there's The Elote (a Mexican-style street corn); The Calvin (a Jamaican Jerk-style street corn); The Cajun (a Bayou Style Street corn) and The Juanita (a southern style street corn).

I cook with the highest quality of ingredients by working with local farms and produce sites and I am extremely passionate about bringing something unique to the table. My business model was developed understanding that the consumer is becoming more conscious of the benefits of veggies in everyday life. I want to fully support that by making vegetables the main course, and everything else a side.

To me, food is fellowship. It brings everyone together no matter the race, gender, age or faith. Everybody loves

to eat. It makes you feel good and creates unforgettable memories. I want to continuously bring customers that nostalgic feeling. The same feeling I got when I was a kid on Sundays after church. I would go to my grandmother's house to be surrounded with amazing food and family.

I vowed to someday create my own space to blend these two pillars; in 2019, Corneey's was established a celebration of both. We're Ear for You.

Moving On Up:

Corneey's is now a popular feature at PHA events and celebrations. You will find Nija Wiggins and her two girls working to prepare her recipes for seasoned corn. Nija is among the PHA fellows who now are official PHA vendors.

CHAPTER FOUR: **INNOVATION THROUGH** **COLLABORATION AND** **INCLUSION**





Voucher holders in PHA's Housing Choice Voucher program were having a challenging time finding landlords willing to rent to them. Almost half of them reported it took them more than four months to locate a suitable home.

The problem was two-fold: The demand for housing was high in Philadelphia's real estate market, and there was a shortage of affordable housing for rent in the city. Second, some property owners were wary of dealing with the red tape involved in working with a government-subsidized program.

PHA's Housing Choice Voucher program began looking for ways to bring more landlords into the PHA fold. It decided to offer landlords financial incentives, streamline its administrative process, and expand customer care in an effort to make more private homes and apartments available for rent.

The initiative offered signing bonuses and sped up the process from application to approval. Any property owner or manager who rented to a PHA voucher holder and submitted the required paperwork was eligible to receive a \$300 signing bonus. Property owners who rented to a PHA Emergency Housing Voucher (EHV) holder received a \$500 bonus. These emergency vouchers are dedicated exclusively to homeless households referred to PHA by the City of Philadelphia. Separately, a \$1,000 bonus was available to landlords who participate in HCV's Housing Opportunity Program (HOP) and rent a unit to an HCV household in a qualified opportunity area. These are neighborhoods that generally have a lower poverty rate and access to higher performing schools and employment opportunities.

By the end of our fiscal year, more than 1,400 landlords and more than 400 of them were new to the program.



Sharswood Ridge neared completion with rental units and a neighborhood commercial center including a grocery store, a bank and an urgent care center.

IN THE WORKPLACE

Supply Chain

PHA's Supply Chain Management Department coordinates all purchasing, contracting and warehouse functions. PHA actively encourages the involvement of Minority Business Enterprises/Women-Owned Business Enterprises (MBE/WBE) and Philadelphia-based businesses and ensures compliance with HUD's Section 3 requirements related to hiring and contracting eligible businesses and residents.

In FY 2022, PHA achieved an MBE participation rate of 36% and a WBE participation rate of 14%. Philadelphia businesses and organizations received 34.3% of the total PHA contracted procurement spend of \$102.8 million. In terms of disbursements, Philadelphia-based vendors received \$107.5 million out of total disbursements of \$211 million.

PHA continued to work closely with Chambers of Commerce to outreach to local vendors. PHA also continued to work with the City's Procurement Department and Department of Sustainability and the School District's Procurement Department to share MBE/WBE lists and contract information. In FY2022, PHA also implemented the use of Bonfire Strategic Sourcing software to streamline the sourcing process, improve transparency and expand outreach.

Employee COVID-19 Vaccination Initiative

The Human Resources team spearheaded an employee

vaccination campaign which yielded an incredibly positive response. Subsequently, PHA initiated a mandatory COVID-19 vaccination requirement. Implementation of the COVID-19 Vaccination Policy culminated in 100% vaccination policy compliance, and a 97% vaccination rate.

Advancing at Work

PHA implemented a partnership with College Unbound (CU), a nonprofit, independent college that serves working adults who are pursuing college to earn their first four year degree. CU focuses on adult learners who have faced significant barriers to attending college. CU coordinates courses, field studies, and in-depth project work to help students develop field-specific knowledge and skills that encourage deep learning and fills a unique niche in postsecondary education for adult learners with program designed around an innovative, personalized, interest/project-based curriculum model. The program enables eligible PHA employees to complete their bachelor's degree, while working full time. The Tuition Reimbursement Program is an employee benefit to which participants could apply in order to reduce the out of pocket cost of attendance.

Financial Outlook

Fitch Ratings upgraded the Philadelphia Housing Authority's financial outlook from stable to positive. The report serves as a barometer of PHA's overall financial standing.

CHAPTER FIVE: THE BOTTOM LINE



PHA FINANCES – NET POSITION

Philadelphia Housing Authority Statement Of Net Position March 31, 2021

	Primary Government	Discretely Presented Component Units
Current Assets		
Cash and cash equivalents	\$214,324,405	\$11,682,563
Restricted cash and cash equivalents	26,703,242	36,293,120
Receivables	175,451,484	2,559,321
Other current assets	2,290,107	532,131
Total current assets	418,769,238	51,067,135
Noncurrent Assets		
Mortgages and notes receivable	397,759,004	-
Restricted investments	900,017	-
Capital assets, net	643,157,724	514,928,134
Equity interest in component units	5,954,025	-
Other assets	2,284,957	2,008,882
Total noncurrent assets.....	1,050,055,727	516,937,016
TOTAL ASSETS	1,468,824,965	568,004,151
Deferred Outflows of Resources	6,225,595	-
Current Liabilities		
Accounts payable.....	10,093,920	2,580,382
Accrued liabilities	14,418,949	1,763,395
Current portion of long-term debt	11,150,633	28,971,390
Due to other government agencies.....	400,625	-
Compensated absences	5,781,111	-
Resident security deposits	858,411	539,520
Unearned revenue and other current liabilities	4,952,807	2,818,916
Total current liabilities	47,656,456	36,673,603
Noncurrent Liabilities		
Compensated absences	3,854,075	-
Long-term debt	35,714,895	358,869,468
Net pension liability	70,965,795	-
Other long-term liabilities	4,723,238	96,876,290
Total noncurrent liabilities	115,258,003	455,745,758
TOTAL LIABILITIES.....	162,914,459	492,419,361
Deferred Inflows of Resources	3,227,839	-
Net Position		
Net investment in capital assets.....	596,292,196	127,087,276
Restricted grants and donations	2,469,534	-
Restricted reserves	13,846,586	-
Unrestricted (deficit).....	696,299,946	(51,502,486)
TOTAL NET POSITION	\$1,308,908,262	\$75,584,790

PHA FINANCES – STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For The Year Ended March 31, 2021
Primary Government

Discretely Presented
Component Units

Operating Revenue

Tenant revenue	\$32,553,053	\$23,271,784
Operating subsidies	445,054,234	3,462,686
Other income	10,710,944	496,468
Total operating revenue	488,318,231	27,230,938

Operating Expenses

Administrative	60,770,619	5,885,143
Tenant services	3,907,479	304,163
Utilities	21,361,573	3,483,064
Maintenance	72,423,195	10,054,096
Protective services	10,013,915	298,823
General	26,555,656	3,808,681
Housing assistance payments	164,212,496	-
Depreciation and amortization	33,695,368	18,920,287
Total operating expenses	392,940,301	42,754,257

OPERATING INCOME (LOSS) **95,377,930** **(15,523,319)**

Nonoperating Revenue (Expenses)

Interest and investment earnings	6,382,358	123,915
Interest expense	(2,058,764)	(8,175,580)
Loss on capital investment	(2,746,904)	-
Other revenues	10,868,729	-
Net nonoperating revenue (expenses)	12,445,419	(8,051,665)

INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS **107,823,349** **(23,574,984)**

Capital Contributions

HUD capital subsidies	14,207,498	-
Partner distributions	-	(291,211)
Partner contributions	-	52,440,122
Total capital contributions	14,207,498	52,148,911
CHANGE IN NET POSITION	122,030,847	28,573,927

Net Position, beginning

As previously reported	1,195,952,351	37,935,927
Restatement	(9,074,936)	9,074,936
As restated	1,186,877,415	47,010,863

Net Position, ending

\$1,308,908,262

\$75,584,790

PHA Finances - Ratings In spite of the enormous pandemic-related challenges, PHA's financial position remains sound and continues to improve through prudent fiscal management, coupled with streamlining and cost reduction efforts taken over the past several years, including the consolidation of office space resulting from the Headquarters move. On July 26, 2021, S&P Global Ratings raised its issuer credit rating (ICR) on Philadelphia Housing Authority (PHA) and its rating on PHA's series 2017 revenue bonds one notch to 'AA-' from 'A+'. The outlook is "stable". The rating action also reflects S&P Global Ratings opinion of PHA's improved financial performance recently with an adjusted-EBITDA-to-adjusted-operating-revenue ratio that now averages about 28% during fiscal years 2020-2024. PHA received high scores on the Main Rating Factors specifically industry risk, regulatory framework, management and governance, enterprise risk profile, debt profile, liquidity, and financial risk profile. S&P Global Ratings further stated that "the rating also reflects our opinion of PHA's:

- Very strong management and governance, demonstrated by its strategic planning that contains specific financial and operational goals, with benchmarks for meeting those goals, as well as financial flexibility derived from its "moving-to-work" (MTW) program status since 2001.
- Extremely strong debt profile and very strong liquidity as PHA's experienced senior leadership has kept debt exposure limited relative to EBITDA trends while maintaining sufficient liquidity sources.
- Adequate financial performance, which is an improvement from a five-year average adjusted-EBITDA-to-adjusted-operating-revenue ratio of nearly 20% during our last review, and 15% from our prior review; and
- Adequate market dependencies with low rent relative to market rent for affordable units, coupled with vacancies that doubled recently to about 8%; however, PHA is working to bring those units back online and fill them with tenants."

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